



John W. Herbert

Winner of the
Stanley O. Styles
Industry
Excellence Award

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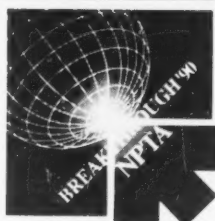


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Perception of Reward Divides Distributor Groups

Although most indicators of job satisfaction among paper and plastics distributors have remained strong during the past year, compensation has generated the most contention among dual respondents. Industrial paper and plastics distributors showed the greatest increase in their level of satisfaction with all elements.

by William H. Frohlich,
Editor & Publisher

Overall job satisfaction among paper and plastics distributors is strong. There is no question about it. Of those responding to the latest *Management News* "Joy of Working" survey, 73.3% reported that they enjoy their jobs considerably. Although this is down slightly from last year's 78.5% level, it is still a sign of a very healthy industry and a strong consensus on the part of paper and plastics distributors that they like what they do.

The indicator that reinforces this strength is the statistic that 77% of those surveyed—nearly eight out of 10—have no plans to change jobs in the next three

years. (This number, too, is down slightly from last year when 82% of distributors said that they were staying put.)

Survey Participation Up

This year 285 usable responses were received from paper, plastics and allied products distributors from across the country. This is up over 11% from the number of distributors that answered last year's survey. (The survey form appears each year in the March issue of NPTA's *Management News* magazine.)

Of those responding this year, 26% work for printing paper distributors, 28% industrial, 40% dual firms and 7% other—

a good cross-section of the industry.

When looked at by position held in the their companies, 30% are in upper management, 29% middle management, 30% sales and 11% support functions—also a strong representation. These breakdowns by type of company and position within the firm is very consistent with last year's group, so reliable comparisons may be drawn from year to year.

Furthermore, 45% of respondents work in companies that employ fewer than 100 people, 24% for firms that have 100-250 people and 32% work for companies that have over 250 employees. Three quarters of those participating in the survey are under 50 years of age. Most of those surveyed, 55% in fact, have less than 10 years of service with their particular employer. This reflects the characteristics of typical distributors in this industry and has not changed much in character from last year's group.

What Puts the "Joy" in Work?

There are many measures of job satisfaction that one might look at to understand what makes workers content in this industry as they go about their daily tasks. The *MN* survey dissected the "Joy of Working" into approximately 11 component parts. These have been grouped together into four general areas of satisfaction in the following manner:

A. Overall Job Enjoyment

1. Basic enjoyment of the job
2. Plans to stay or leave

B. Performance/Reward

3. The sense that performance is rewarded
4. Expectation for job advancement
5. Satisfaction with the compensation package

C. Company Pride

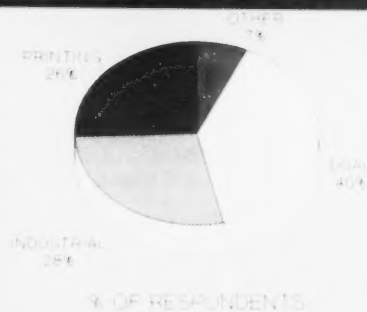
6. Pride in company
7. The sense of sharing in the company's success

D. Perception of Supervision

8. The sense that expectations are known
9. The sense that company information is being shared by supervisors
10. The sense that teamwork is encouraged
11. The sense that superiors are approachable.

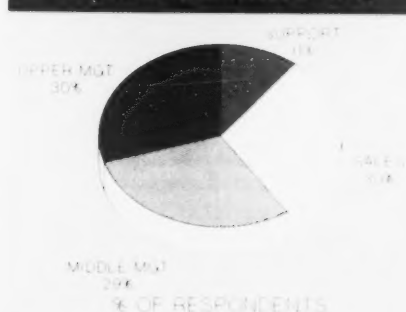
#1

NPTA MN SURVEY: THE JOY OF WORKING
RESPONDENTS' COMPANY TYPE



#2

NPTA MN SURVEY: THE JOY OF WORKING
RESPONDENTS' POSITIONS IN COMPANY



Performance/ Reward 1990 VS 1989



Performance/Reward

This area is always the most controversial. It has been said that whenever three paper distributors are talking about compensation, there are at least five different opinions. This year, especially, the results of the *MN* "Joy of Working" study must be analyzed carefully.

Last year showed that the dual distributors were far and away the leaders in the Performance/Reward category. Employees were happiest with their compensation, potential for job advancement and had the sense that they were being rewarded properly.

This year, apparently, things are different. Employees from dual firms showed a significant decrease in their perception that they are being rewarded for their work, that they are satisfied with their compensation package and that their jobs lead to advancement. (See Figure 3.)

It is also clear from the table that employees from industrial paper and plastics distribution firms felt more positive about their compensation and reward when compared with last year's results. Printing paper merchant employees remained basically unchanged.

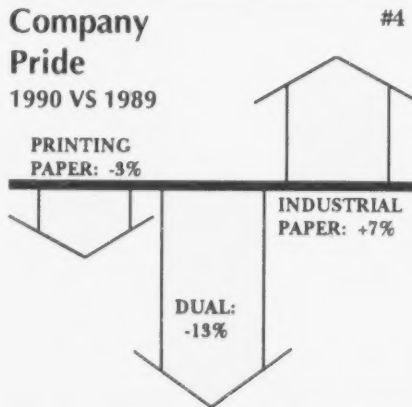
As one might imagine, sales people, as a group, are always concerned with their reward system. This year, they were 7% less satisfied with their overall compensation, reward and opportunities for advancement than they were last year. It may point to the difficulties surrounding the entire sales compensation issue that are facing the industry today.

Company Pride

The pride-in-company issue ties in with the general feeling that "we are all working for a good cause." The two measures used—how proud one is of one's company and the sense that one shares in the success of that company—show industrial paper distributors up from last year, while a big decline is evidenced in dual firms. (See Figure 4.) Printing paper merchants were seen as changing slightly.

When looked at by overall company size, those who work for large companies (over 250 employees) showed a 7% decrease in their level of pride from last year. As these companies are mostly made up of duals, this is consistent with the results above. The findings for sales people were basically unchanged from last year.

Company Pride 1990 VS 1989



Perception of Supervision

Here again, the industrial sector had the greatest improvement, while dual distributors declined. Printing paper merchants remained basically unchanged. (See Figure 5.)

Upper management always has a different perception of this area. Because they are the ones who are most likely doing the sharing of information or are creating the expectations, they always give themselves high marks. As a matter of fact, they gave themselves marks that were a few points higher than last year. (In the face of the other results in this report, it may show that they are a little out of touch.)

Unfortunately, middle management was off a few percentage points from last year's level of satisfaction with those who supervise them, and sales people's perceptions were significantly lower. The rating

given by sales people to their supervisors dropped by nearly 20%!

The biggest reason for this among sales people, it seems, is that they feel left out when it comes to sharing information about the company and a lack of encouragement of teamwork. Plus, the compensation issue, again, may be responsible.

Attitudes Are Transformed

There are many factors that affect job satisfaction; *MN*'s survey attempted to identify a number of them. But what truly cannot be measured is what causes these factors to change. It is always difficult to interpret the reasons for people's attitudes and feelings. Only hypothesis and opinion can be expressed.

Printing and industrial sectors had little change over last year, so no conjecture here is needed.

But why have the perceptions of employees from dual houses changed as much as it has? Perhaps the drop in satisfaction was due to the major transformations in this sector. During the past 12-18 months, dual distribution firms have undergone more changes in ownership, organization and sales force compensation than the others. In a fast-paced environment, attitudes tend to shift—from uncertainty and worry over what the new management may do; to satisfaction or dissatisfaction with the changes; to acceptance, once they understand the reasons for change. After that, either satisfaction goes up or the employees leave—and maybe they should.

Let's see what next year's survey reveals.■

Perception of Supervision 1990 VS 1989

